

# AFFORDABLE CARE ACT MASSACHUSETTS IMPLEMENTATION UPDATE

March 31, 2011

#### **Quick Links**

#### **MA-ACA Website**



These Updates, published by the Executive Office of Health and Human Services (EOHHS) in consultation with the other state agencies involved in ACA implementation, will bring you news related to the implementation of provisions of the ACA here in Massachusetts.

# **Grants**

The ACA provides funding opportunities to transform how health care is delivered, expand access to care and support healthcare workforce training.

#### Grant Announcements

Capacity Building Assistance to Strengthen Public Health Infrastructure and Performance Program Expansion Supplements. §4002. Announced March 23, 2011. Second half of funding previously announced on 3/18/11. Supplemental funding for eligible applicants, including national, non-profit public health professional organizations. Funding ranges from \$50,000 to \$700,000 and will be awarded in six parts to various public health organizations.

Proposals for the first announcement are due 4/19/11. The first announcement can be viewed at: <u>Grants.gov</u>. Proposals for the second announcement are due 4/25/11. The second announcement can be viewed at: <u>Grants.gov</u>

Health Careers Opportunity Program. §5402. Announced March 24, 2011. Funding will assist individuals from disadvantaged (economically and educationally) backgrounds throughout the educational pipeline to undertake education to enter and graduate from a health or allied health professions program. Eligible applicants include accredited schools of medicine and other specialties, programs that train physician assistants, and other public or private nonprofit health or educational entities with the exception of nursing programs. \$9,800,000 is available to fund 14 awards. Proposals are due 5/25/11.

The announcement can be viewed at: HRSA

### Guidance

3/31/11 CMS announced a proposed rule to implement §3022 of the ACA which contains provisions relating to Medicare payments to providers of services and suppliers participating in Accountable Care Organizations (ACOs). Under these provisions, providers of services and suppliers can continue to receive traditional Medicare feefor-service payments under Parts A and B, and be eligible for additional payments based on meeting specified quality and savings requirements. Comments are due in 60 days. The proposed rule, which was filed today and will be published on 4/7/11 can be viewed at: http://www.gpo.gov/fdsys/pkg/FR-2011-04-07/pdf/2011-7880.pdf

**3/30/11** CMS announced that the **fourth meeting of the Consumer Operated and Oriented Plan (CO-OP) Advisory Board** will be held on 4/15/11. The Center for Consumer Information and Insurance Oversight (CCIIO) Advisory Board is tasked with assisting and advising the Secretary and Congress on HHS strategy to foster the creation of qualified nonprofit health insurance issuers under §1322 of the ACA. Specifically, the Committee will advise the Secretary and Congress about the awarding of grants and loans related to the development of co-op insurance plans.

For information on how to submit written comments and register for the meeting by phone, please view the Federal Register Notice at:

http://www.gpo.gov/fdsys/pkg/FR-2011-03-30/pdf/2011-7484.pdf

**3/29/11** the IRS issued interim guidance under §9002 of the ACA to **employers on informational reporting on each employee's annual W-2 of the cost of the health insurance they sponsor for employees**. This guidance extends an exemption to this requirement made last fall for all employers in 2011 by making the requirement optional for smaller employers for at least 2012 and continuing this optional treatment until further guidance is issued. The notice also provides guidance and information for employers that are subject to the requirement for the 2012 W-2 forms and those that choose to voluntarily comply in 2011 or 2012. Comments are due 6/29/11.

Read the 3/29/11 guidance at: <a href="http://www.irs.gov/pub/irs-drop/n-11-28.pdf">http://www.irs.gov/pub/irs-drop/n-11-28.pdf</a>
The guidance issued last fall is available at: <a href="http://www.irs.gov/pub/irs-drop/n-2010-69.pdf">http://www.irs.gov/pub/irs-drop/n-2010-69.pdf</a>

Note that the guidance listed in this section dates back to March 29, 2011. Prior guidance can be viewed at <a href="https://www.healthcare.gov">www.healthcare.gov</a>

## News

3/25/11 the National Association of Insurance Commissioners (NAIC) held their spring meeting in Austin, Texas. During the meeting, the Professional Health Insurance Advisors Task Force held a hearing to solicit comments on the impact of the MLR requirements of the ACA on health insurance brokers and agents.

Although some commissioners support some kind of a fix to remove brokers from the Medical Loss Ratio (MLR) calculations scheduled to go into effect next year and/or a delay of the MLR rules, they instead voted to study the issue.

Representatives in Congress have introduced legislation exempting brokers and agents from the MLR regulation and were looking to the NAIC for support.

Read the bill filed by Reps. Mike Rogers (R-MI) and John Barrow (D-GA) at: NAIC For more information on the 3/27/11 hearing, including the agenda and to read comments submitted by the public: http://www.naic.org/committees\_ex\_health\_advisors\_tf.htm

**3/25/11** the **NAIC Exchanges Subgroup** met to hear presentations from Early Innovator grantees, current state Exchanges and to review comments received on the white papers developed by the subgroup. The white papers on the topics of adverse selection, financing and the comparative roles of navigators and producers can be read, along with presentations and testimony at: <a href="http://www.naic.org/committees\_b\_exchanges.htm">http://www.naic.org/committees\_b\_exchanges.htm</a>
The NAIC is accepting comments until 4/4/11 at <a href="mainteejamaic.org">jmatthew@naic.org</a> on the adverse selection paper. The materials from all of the NAIC spring conference meetings, including meeting minutes, can be found at: <a href="http://www.naic.org/meetings1103/summaries.htm">http://www.naic.org/meetings1103/summaries.htm</a>

**3/17/11 Louisiana submitted their request for a state MLR adjustment** but did not seek as much relief as the other eight that have applied so far. The Louisiana Insurance Commissioner requested a two-year MLR waiver, asking for a phase-in approach with spending requirements at 70% in 2011, 75% in 2012 and then the ACA-required 80% in 2013.

# **Upcoming Events**

#### **Next Quarterly Stakeholder Meeting**

Patient Protection and Affordable Care Act Implementation meeting Tuesday June 21, 2011 from 3:00-4:00 P.M. 1 Ashburton Place, 21<sup>st</sup> floor, Boston

Don't forget to add our website to your favorites: www.mass.gov/nationalhealthreform